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Consumer Protection Unit acts to safeguard Delawareans in debt

Wilmington – The Delaware Department of Justice announced today that a California debt management services company will pay \$153,000 in restitution to 105 Delaware consumers with whom it conducted business without complying with Delaware's debt management services statute. Freedom Debt Relief, LLC ("FDR") had been providing debt management services in Delaware without first completing the licensing process required by the 2007 Uniform Debt Management Services Act. FDR, which is now licensed in Delaware, will also pay \$10,000 to the Attorney General's Consumer Protection Unit to cover its enforcement costs.

"Companies that violate the licensing requirements of Delaware's Debt Management Services Act undermine the credibility of those who provide struggling Delawareans with much-needed financial relief," stated Timothy Mullaney, Director of the Delaware Department of Justice Fraud and Consumer Protection Division. "By taking action against this previously unlicensed company we're holding them accountable to the law and we're ensuring that consumers have the tools they need to select trustworthy companies to help them manage their debt."

The Attorney General's Consumer Protection Unit enforces Delaware's Debt Management Services Act. The Unit screens and licenses debt management companies doing business in Delaware, regulates and monitors their activities, and publicizes a list of approved providers in an effort to safeguard Delawareans from potentially fraudulent companies.

To access the list of licensed debt management providers approved by the Attorney General, visit http://www.attorneygeneral.delaware.gov/consumers/protection/debtmanadvisory.shtml.